

EXHIBIT 68

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

Civil Action No. 4:18-cv-06753-PJH

In Re:
RIPPLE LABS, INC.
LITIGATION

This Document Relates To:

ALL ACTIONS

VIDEOTAPED DEPOSITION OF STEVEN P.
FEINSTEIN, called as a witness on behalf of
the Defendants, pursuant to the applicable
provisions of the Federal Rules of Civil
Procedure, before Jeanette N. Maracas,
Registered Professional Reporter and Notary
Public in and for the Commonwealth of
Massachusetts, at the Offices of Morgan,
Lewis & Bockius, One Federal Street, Boston,
Massachusetts, on Friday, January 20, 2023,
commencing at 9:41 a.m.

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1 of some debate that has, in my opinion, 10:59:19	1 methodology? 11:02:24
2 no bearing on my opinions. It's not 10:59:21	2 A. Yes. 11:02:25
3 something I wrote about in my report or 10:59:23	3 Q. Does that methodology need to take into 11:02:25
4 expressed as an opinion. There are 10:59:26	4 account the contractual terms that are 11:02:28
5 representations and allegations from both 10:59:34	5 expressed in the bilateral contract? 11:02:31
6 sides in this case about what XRP was 10:59:37	6 A. Just the prices and the quantities and the 11:02:33
7 used for and how it would be used and why 10:59:41	7 times. Prices, quantities, the form of 11:02:35
8 it had value, whether the ledger was 10:59:45	8 the consideration, the time the transaction 11:02:39
9 centralized or decentralized, for example, 10:59:47	9 took place is all that you would need. 11:02:41
10 but none of that had any bearing on my 10:59:51	10 Q. So you need information contained in the 11:02:43
11 opinions. 10:59:53	11 contract to perform that calculation, 11:02:52
12 Q. So whether XRP has utility or not have any 10:59:54	12 correct? 11:02:55
13 bearing on your opinion? 11:00:05	13 MR. SPEAR: Objection. 11:02:55
14 MR. SPEAR: Objection, scope. 11:00:06	14 A. No, just the standard facts and details 11:02:57
15 A. Well, my opinion as spelled out in this 11:00:07	15 that describe any transaction, the same 11:02:59
16 report is that there's a common method for 11:00:10	16 common information that would commonly be 11:03:01
17 computing damages for all class members. 11:00:14	17 supplied by any class member for purposes 11:03:04
18 The common method is consistent with 11:00:19	18 of calculating that class member's damages. 11:03:07
19 plaintiff's theory of liability, and I lay 11:00:22	19 Q. Could the contract, though, supply, for 11:03:10
20 out what that method is. That is really 11:00:27	20 example, the price? 11:03:12
21 what I wrote about in this report, and so 11:00:33	21 A. Like I said, price would need to be known. 11:03:15
22 specific idiosyncracies of XRP versus 11:00:37	22 In any damage calculation in any class action 11:03:18
23 other crypto digital assets did not matter. 11:00:41	23 litigation, you need to know prices. 11:03:21
24 As I sit here now, that's my thinking. 11:00:46	24 Sometimes you -- my understanding is that 11:03:26
25 Q. Sitting here today, do you have an 11:00:49	25 prices, price data for a claimant's 11:03:31
Page 50	Page 52
1 understanding as to whether a use of XRP 11:00:58	1 transactions is supplied by the claimant 11:03:36
2 could impact calculation of profit or 11:01:06	2 to the claims administrator, and whether 11:03:38
3 loss made by someone who owns it? 11:01:11	3 that price is documented in an exchange or 11:03:42
4 A. Well, it could certainly impact the profit 11:01:16	4 brokerage confirmation versus some other 11:03:48
5 or loss that was realized, but it would 11:01:18	5 form doesn't matter for purposes of applying 11:03:52
6 not impact the formula used for calculating 11:01:20	6 the formula. 11:03:57
7 the profit or loss and the damages. 11:01:23	7 Q. So it sounds like you have in mind a claims 11:03:58
8 Q. Sitting here today, do you know whether 11:01:26	8 process where the claimant would come forward 11:04:11
9 XRP is traded pursuant to any bilateral 11:01:32	9 with the inputs needed to, certain to your 11:04:14
10 contracts? 11:01:40	10 methodology, to your formula to determine 11:04:19
11 MR. SPEAR: Objection to form. 11:01:41	11 profit or loss, is that correct? 11:04:23
12 A. What do you mean by "bilateral contracts"? 11:01:42	12 A. That's typically how damages are ultimately 11:04:26
13 Q. A contract between two parties to buy or 11:01:47	13 calculated in a class action securities case. 11:04:28
14 sell an asset. 11:01:49	14 Q. So turning to Exhibit 10 here, your report, 11:04:38
15 A. Some trading took place that way, is my 11:01:50	15 I'd refer you to Page 4, you express your 11:04:50
16 understanding. 11:01:54	16 conclusion which is I think what you're 11:04:54
17 Q. So you are aware that some XRP exchanged 11:01:54	17 referring to, you opine here on Paragraph 16, 11:04:58
18 hands pursuant to bilateral contracts? 11:01:59	18 Page 4, the damages can be computed using 11:05:03
19 A. Well, we usually call that in finance an 11:02:03	19 a common methodology for all class members 11:05:11
20 over-the-counter transaction, and my 11:02:05	20 and the common classwide methodology for 11:05:16
21 understanding is there were some 11:02:07	21 determining damages for all XRP purchasers 11:05:21
22 over-the-counter transactions. 11:02:09	22 involves the straightforward application of 11:05:26
23 Q. Where XRP is exchanged pursuant to an 11:02:12	23 statutory arithmetic formulas? 11:05:30
24 over-the-counter transaction, can profit or 11:02:19	24 A. Yes. 11:05:34
25 loss be calculated pursuant to a common 11:02:20	25 Q. Sir, are you opining -- you're opining that 11:05:35
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<p>1 damages can be computed using a common 11:05:47</p> <p>2 methodology, correct? 11:05:51</p> <p>3 A. Yes. 11:05:51</p> <p>4 Q. Are you opining that they can be computed 11:05:52</p> <p>5 using common evidence? 11:05:56</p> <p>6 A. I think "evidence" has a specific legal 11:05:58</p> <p>7 meaning, and I'm not a lawyer. So if you 11:06:00</p> <p>8 mean data, that the same data, the same 11:06:05</p> <p>9 type of data is needed from each claimant, 11:06:11</p> <p>10 that's true, the same type of data, and I 11:06:13</p> <p>11 mentioned already what that data would be. 11:06:17</p> <p>12 "Evidence" is a legal term, that I can answer 11:06:20</p> <p>13 the question if you explain it better. 11:06:22</p> <p>14 Q. Got it. Well, I guess what I'm hearing you 11:06:24</p> <p>15 say is that the claimant would need to come 11:06:28</p> <p>16 forth with the information concerning their 11:06:30</p> <p>17 purchase or sale in order for the calculation 11:06:32</p> <p>18 to be run? 11:06:36</p> <p>19 A. That's one way to do it. There are other 11:06:37</p> <p>20 ways to calculate damages, but to apply the 11:06:39</p> <p>21 common formula that's in my report, one would 11:06:42</p> <p>22 need price and quantity data for purchases 11:06:45</p> <p>23 and sales, if there was a sale for anybody 11:06:50</p> <p>24 whose damages are going to be calculated, 11:06:56</p> <p>25 so it's common data and it's common formulas 11:06:59</p> <p style="text-align: right;">Page 54</p>	<p>1 interest rate should be applied. 11:08:42</p> <p>2 Q. Anything else? 11:08:44</p> <p>3 A. The formula is on Page 5. Those are the 11:08:50</p> <p>4 arguments of the formula that we just 11:08:50</p> <p>5 covered, so no. 11:08:56</p> <p>6 Q. You mentioned that you need information as 11:08:56</p> <p>7 to whether there had been a sale. What did 11:08:59</p> <p>8 you mean by that? 11:09:02</p> <p>9 A. Well, you would need to know. I mean, the 11:09:02</p> <p>10 class members are people who purchased and 11:09:04</p> <p>11 then sold XRP and sustained a loss. These 11:09:08</p> <p>12 are the proposed class members, or those 11:09:12</p> <p>13 who still own XRP, they purchased it and 11:09:16</p> <p>14 still own it. So notice that Paragraph 19 11:09:19</p> <p>15 has a formula for one and 20 has got the 11:09:23</p> <p>16 adaptation of that same formula for the 11:09:28</p> <p>17 other, so you need to know whether they 11:09:30</p> <p>18 still own XRP or not. 11:09:32</p> <p>19 Q. I see. So the information as to whether 11:09:33</p> <p>20 there has been a sale is important to know 11:09:40</p> <p>21 which, whether they're in Paragraphs 19 or 11:09:43</p> <p>22 20? 11:09:45</p> <p>23 A. Right. 11:09:48</p> <p>24 Q. Okay. And then you said you would need to 11:09:48</p> <p>25 know the form of consideration paid. What 11:09:50</p> <p style="text-align: right;">Page 56</p>
<p>1 that are used. 11:07:03</p> <p>2 Q. So you need the price data and you need 11:07:03</p> <p>3 the quantity data? 11:07:10</p> <p>4 A. Right, how much did the person pay and 11:07:11</p> <p>5 when did they pay it and how much XRP did 11:07:15</p> <p>6 they receive, and the same thing on the 11:07:21</p> <p>7 sale, if there was a sale, or we would need 11:07:24</p> <p>8 to know that there was no sale. 11:07:32</p> <p>9 Q. Is any other data needed aside from the 11:07:34</p> <p>10 price data and quantity data? 11:07:38</p> <p>11 A. I said price data, price, quantity, both at 11:07:40</p> <p>12 the time of sale and the time, time of 11:07:45</p> <p>13 purchase and time of sale information as to 11:07:47</p> <p>14 whether or not there was a sale because 11:07:50</p> <p>15 there may not have been, the form of the 11:07:53</p> <p>16 consideration paid. That's it. Wait. 11:07:57</p> <p>17 Right, that's it. That's what's in the 11:08:09</p> <p>18 formula. 11:08:11</p> <p>19 Again, if there was -- the example 11:08:13</p> <p>20 I gave in the interrogatory did not apply 11:08:18</p> <p>21 interest that could have been earned, the 11:08:25</p> <p>22 opportunity interest on the consideration, 11:08:27</p> <p>23 but if one were to include the interest, you 11:08:31</p> <p>24 would also need guidance from the court or 11:08:34</p> <p>25 agreement among the parties as to what 11:08:40</p> <p style="text-align: right;">Page 55</p>	<p>1 did you mean by that? 11:09:52</p> <p>2 A. Was Bitcoin tendered for the XRP or was 11:09:53</p> <p>3 it Tether or U.S. dollars, and you need to 11:10:01</p> <p>4 know that so that you can translate the 11:10:03</p> <p>5 consideration, you can value the 11:10:04</p> <p>6 consideration at the time of the 11:10:06</p> <p>7 transactions. 11:10:07</p> <p>8 Q. If someone paid Bitcoin, used Bitcoin to 11:10:08</p> <p>9 purchase XRP, wouldn't the value of the 11:10:17</p> <p>10 consideration paid be the amount of Bitcoin 11:10:22</p> <p>11 they paid for the XRP? 11:10:25</p> <p>12 A. It would be the value of the Bitcoin paid. 11:10:27</p> <p>13 Q. Why not just the -- so the value of the 11:10:29</p> <p>14 Bitcoin? 11:10:32</p> <p>15 A. The formula, the statute says consideration 11:10:34</p> <p>16 with interest thereon. The word 11:10:37</p> <p>17 "consideration" I guess can either mean 11:10:42</p> <p>18 the form of the consideration or the value 11:10:45</p> <p>19 of the consideration, and I think from the 11:10:46</p> <p>20 context it's pretty clear that it's the 11:10:47</p> <p>21 value of the consideration, so that would 11:10:50</p> <p>22 be dollars, how many dollars were those 11:10:52</p> <p>23 Bitcoin worth at the time the XRP was 11:10:54</p> <p>24 purchased. 11:10:57</p> <p>25 Q. Okay. So let's, we'll break this down a 11:10:58</p> <p style="text-align: right;">Page 57</p>

1 little bit. It was helpful to hear your 11:11:04	1 a person who obtained XRP in exchange for 11:14:14
2 explanation. 11:11:06	2 a tangible good? 11:14:19
3 Going back to Paragraph 16, you 11:11:07	3 A. Yes. 11:14:20
4 express that your opinion here relates to a 11:11:12	4 Q. Just to be clear on the scope of your 11:14:20
5 common classwide methodology for determining 11:11:16	5 opinion, it sounds like it is not part of 11:14:35
6 damages for all XRP purchasers. What does 11:11:18	6 the scope of your opinion who is or who 11:14:41
7 it mean to purchase XRP? 11:11:26	7 is not a purchaser of XRP? 11:14:43
8 MR. SPEAR: Objection to form. 11:11:28	8 A. That's correct. 11:14:48
9 A. It's almost a philosophical question. To 11:11:32	9 Q. So you're not opining on who is or is not 11:14:48
10 pay a counterparty and receive XRP, quid pro 11:11:37	10 a purchaser of XRP, correct? 11:14:54
11 quo in exchange for that payment. 11:11:44	11 A. Correct. 11:14:56
12 Q. So if you receive XRP as a gift, are you a 11:11:51	12 Q. Does your opinion encompass the 11:14:56
13 purchaser of XRP? 11:11:59	13 identification of people who are purchasers 11:15:01
14 MR. SPEAR: Objection, calls for a 11:12:00	14 of XRP? 11:15:05
15 legal conclusion. 11:12:01	15 A. How is that different from the previous 11:15:06
16 A. I would have to say I don't know. That's a 11:12:03	16 question? 11:15:09
17 legal determination. 11:12:06	17 Q. The first question is more of a conceptual 11:15:10
18 Q. Can your methodology apply to individuals 11:12:07	18 question of like categorically speaking, 11:15:15
19 who obtained XRP via gift? 11:12:11	19 who would count or not in the determination 11:15:18
20 A. I'm not sure. That's something I would have 11:12:22	20 of who is a purchaser of XRP. The second 11:15:20
21 to think about. 11:12:25	21 is actually like identifying the class 11:15:21
22 Q. Do you have any understanding as to whether 11:12:26	22 members. 11:15:23
23 Ripple has employees? 11:12:28	23 A. No. I haven't been asked to identify class 11:15:24
24 A. I'm sure they do have employees. 11:12:32	24 members and nothing about that is expressed 11:15:26
25 Q. To the extent a Ripple employee receives 11:12:34	25 in my report. 11:15:28
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1 XRP as a form of their compensation, are 11:12:37	1 Q. Okay. Does your opinion encompass price 11:15:29
2 they a purchaser of XRP? 11:12:43	2 correlation between XRP and any other 11:15:35
3 MR. SPEAR: Objection, calls for 11:12:45	3 digital asset? 11:15:37
4 a legal conclusion. 11:12:46	4 A. What do you mean by "correlation"? 11:15:39
5 A. Again, that does sound like -- the answer 11:12:47	5 Q. Whether the price or value of XRP is 11:15:41
6 to that question must be covered somewhere 11:12:50	6 correlated with movements in prices of 11:15:44
7 in the law, and I'm not a lawyer. I can 11:12:53	7 other digital assets. 11:15:46
8 answer economic questions. I don't think 11:12:57	8 A. I have expressed that to apply the formula, 11:15:48
9 that is an economic question, so I think 11:13:00	9 one should convert whatever the form of 11:15:53
10 I should just say I don't know for sure. 11:13:03	10 the consideration was to the value of the 11:15:57
11 I don't want to say, give an answer that's 11:13:04	11 consideration. So exchange rates and 11:15:59
12 contrary to established law, case law or 11:13:06	12 valuations are relevant to apply the common 11:16:04
13 statute. I think the case law and statute 11:13:10	13 methodology commonly for all class members, 11:16:09
14 should speak for itself and legal experts 11:13:12	14 but correlation usually means movement 11:16:12
15 can decide that. 11:13:14	15 over time, and that I haven't expressed 11:16:15
16 Q. Can the common methodology that you propose 11:13:15	16 anything about movement over time. 11:16:18
17 in your opinion be applied to those who 11:13:20	17 Q. Okay. Yes, that's what I was asking about, 11:16:20
18 acquire XRP as compensation for their work? 11:13:24	18 whether the price of XRP correlates over 11:16:24
19 A. I think it can. 11:13:28	19 time with the price of digital assets, not 11:16:27
20 Q. Do you have an understanding as to whether 11:13:31	20 something that's the subject of your opinion, 11:16:31
21 someone could sell a tangible good like a 11:13:46	21 correct? 11:16:32
22 cup of coffee in exchange for XRP? 11:13:51	22 A. Say that again, please? 11:16:33
23 A. I think that's possible. 11:13:56	23 Q. It's fair to say that your opinion does not 11:16:35
24 Q. Can your common methodology be used to 11:14:06	24 encompass whether the price of XRP correlates 11:16:40
25 calculate the gain or loss experienced by 11:14:09	25 with the price of any other digital asset 11:16:44
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1 of XRP, that you would need to see the 01:26:38	1 to that situation. 01:29:16
2 contract in order to calculate that 01:26:43	2 A. You calculate how much was paid for the 01:29:19
3 purchaser's gain or loss? 01:26:46	3 XRP, not how much was paid for the option 01:29:21
4 MR. SPEAR: Objection, incomplete 01:26:48	4 on the XRP. 01:29:26
5 hypothetical. Objection, calls for 01:26:49	5 Q. And why is that? 01:29:27
6 speculation. 01:26:51	6 A. Because this person is buying two different 01:29:28
7 A. I really think my answer has to be I don't 01:26:52	7 things, XRP tokens as well as an option 01:29:31
8 know. It can. It might not. I can imagine 01:26:59	8 in XRP tokens. If I want to find out how 01:29:35
9 hypotheticals where it matters, the details 01:27:03	9 much they're paying for the XRP tokens 01:29:39
10 of the contract, and I can imagine 01:27:04	10 themselves, I've got to exclude how much 01:29:42
11 hypotheticals where it doesn't or I wouldn't. 01:27:07	11 they're paying for the options. 01:29:45
12 If the contract -- certainly it's always 01:27:15	12 Q. So if that purchaser were then to sell 01:29:47
13 possible using publicly available data to 01:27:23	13 XRP at a loss and receives some money from 01:29:50
14 calculate the value of the XRP that's being 01:27:27	14 the contractual counterparty thereafter. 01:29:54
15 conveyed at a particular point in time. 01:27:30	15 you wouldn't offset that purchaser's loss 01:29:56
16 Whether there's a contract that includes 01:27:36	16 based on the payment they received from the 01:30:01
17 other transactions simultaneously, like some 01:27:37	17 counterparty following their sale? 01:30:03
18 sort of put option, might make a difference 01:27:41	18 MR. SPEAR: Objection, incomplete 01:30:03
19 or might not in terms of measuring 01:27:45	19 hypothetical. Objection, calls for 01:30:04
20 consideration paid and value received. 01:27:47	20 speculation. 01:30:06
21 Q. So referring to your formula in Paragraph 19, 01:27:51	21 A. These seem to be unusual aberrant 01:30:07
22 you start with a dollar amount paid at time 01:27:58	22 hypotheticals that might take some analysis. 01:30:11
23 of purchase, you add interest income earned 01:28:01	23 but it's not a different methodology. We're 01:30:17
24 at an appropriate interest rate and then you 01:28:06	24 still calculating how much was paid and how 01:30:20
25 subtract dollar amount received at time of 01:28:08	25 much was received and the difference is the 01:30:22
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1 sale, correct? 01:28:11	1 loss. If there's some unusual details of 01:30:24
2 A. Right. 01:28:12	2 the transactions that might require some 01:30:30
3 Q. What if the contract called for that seller 01:28:13	3 additional analysis from an economist or 01:30:34
4 to receive some additional dollar amount 01:28:15	4 from the claims administrator, but if the 01:30:38
5 later in time -- 01:28:20	5 sale is the result of the exercise of a 01:30:43
6 MR. SPEAR: Objection. 01:28:21	6 put option, as I sit here now, it seems to 01:30:46
7 Q. -- would that factor into --would it be 01:28:21	7 me that the sale price would be the strike 01:30:49
8 appropriate to factor in that subsequent 01:28:24	8 price of that put option and we would know 01:30:52
9 payment into that person's gain or loss? 01:28:26	9 how much this person received when selling 01:30:57
10 MR. SPEAR: Objection, incomplete 01:28:30	10 his or her XRP. 01:31:02
11 hypothetical. Objection, calls for 01:28:31	11 Q. Your formula here in Paragraph 19 purports 01:31:06
12 speculation. 01:28:33	12 to calculate damages for class members who 01:31:15
13 A. I'm trying to mentally picture this contract 01:28:33	13 purchased and later sold XRP? 01:31:18
14 you're describing. Can you say it again? 01:28:36	14 A. Right. 01:31:19
15 Q. Yes. Assume there's a contract pursuant 01:28:42	15 Q. It sets out three inputs, the dollar amount 01:31:20
16 where someone buys XRP, but the contract 01:28:46	16 paid at time of purchase, interest thereon 01:31:23
17 provides that if they sell for a loss or a 01:28:50	17 and the amount received at time of sale? 01:31:27
18 loss of certain magnitude, they'll be made 01:28:53	18 A. Right. 01:31:29
19 whole to some degree. 01:28:55	19 Q. What I'm suggesting, I'm wondering how this 01:31:29
20 A. So this person is buying XRP and they're 01:28:58	20 would apply to a situation where a contract 01:31:34
21 also buying a put option on the XRP. That's 01:29:02	21 provided for some payment to the seller 01:31:36
22 how you would analyze that from a financial 01:29:07	22 after the time of sale. That is not 01:31:39
23 perspective. And you're asking how would I 01:29:09	23 encompassed by this methodology, correct? 01:31:41
24 calculate how much was paid for the XRP? 01:29:12	24 MR. SPEAR: Objection, calls for 01:31:44
25 Q. I'm asking how this methodology would apply 01:29:14	25 speculation. Objection, incomplete 01:31:46
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1	hypothetical. Go ahead.	01:31:48	1	to the claim form, is this all the	01:34:05
2	A. So you're saying there's a contract that	01:31:49	2	compensation you received for selling this	01:34:07
3	says the person sells it and then at a later	01:31:51	3	asset or did you receive additional	01:34:09
4	date is given additional money pursuant to	01:31:55	4	compensation somewhere else in some other	01:34:11
5	a put option? Is that what you're saying?	01:31:59	5	way. I think this is the job the claims	01:34:15
6	Q. You're the one describing it as a put option.	01:32:01	6	administrators are comfortable performing	01:34:18
7	I have not described it as a put option.	01:32:03	7	and typically do.	01:34:21
8	A. Well, locking in that you can't sell for	01:32:06	8	Q. If a claims administrator did that, would	01:34:21
9	less than what you paid for it is modeled	01:32:09	9	that claims administrator be deviating from	01:34:25
10	as a put option, so I think the proceeds	01:32:12	10	the formula laid out in Paragraph 19?	01:34:27
11	from the market sale, plus the -- I would	01:32:18	11	A. Not at all. Well, only to the extent that	01:34:31
12	have to think about that. I'm not sure	01:32:25	12	it says at time of sale. So what I wrote	01:34:33
13	whether you include the amount they receive	01:32:27	13	here is what applies to the -- what you're	01:34:38
14	in the put option or not as part of the	01:32:28	14	doing is an exercise to try to look for	01:34:44
15	sales proceeds. I'd have to think about	01:32:32	15	hypotheticals that possibly don't even exist	01:34:48
16	that, but we're still trying to calculate how	01:32:33	16	that would add complexity to the formula.	01:34:53
17	much was received from the sale.	01:32:37	17	And if these hypotheticals do exist, it's	01:34:56
18	Q. Is it fair to say, though, that in order to	01:32:37	18	easy to modify this formula so it's all	01:34:59
19	apply this methodology that you put forth	01:32:40	19	common for all class members, but takes into	01:35:02
20	in Paragraph 19, we need to look at the	01:32:43	20	account very peculiar complexities such as	01:35:05
21	contract?	01:32:45	21	you received your payment two different,	01:35:08
22	MR. SPEAR: Objection, incomplete	01:32:47	22	on two different dates or multiple dates.	01:35:10
23	hypothetical, calls for speculation.	01:32:48	23	Q. What is your basis for expressing that	01:35:13
24	A. I think the trading records would suffice	01:32:50	24	this hypothetical that I'm describing is	01:35:18
25	just as they would for any other investor.	01:32:52	25	aberrant or so unusual?	01:35:20
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1	The trading records say how much he or	01:32:56	1	A. Because the whole idea of exchange trading	01:35:23
2	she received when they sold the XRP and	01:33:00	2	or trading even on the ledger is that	01:35:28
3	then how much they received pursuant to	01:33:03	3	you're trading in a fungible manner, that	01:35:32
4	the put option. I think that would be in	01:33:05	4	your trades are just like other people's	01:35:35
5	the trading records, or that could certainly	01:33:07	5	trades and they're standardized, the terms	01:35:38
6	be a claims administrator question, did you	01:33:09	6	are standardized. It's only, you know --	01:35:43
7	receive additional compensation subsequent	01:33:12	7	even over-the-counter trades are usually	01:35:47
8	pursuant to that sale. That's the kind of	01:33:16	8	standardized, but over-the-counter it's	01:35:49
9	thing claims administrators handle all the	01:33:19	9	possible to have customized features, but	01:35:52
10	time.	01:33:22	10	because they're customized, over-the-counter	01:35:58
11	Q. Isn't what your opinion here expressing	01:33:23	11	trading in a security tends to be much,	01:36:00
12	is that the claims administrator would	01:33:23	12	much lower in volume, if it exists at all,	01:36:05
13	follow this formula?	01:33:29	13	but in a customized way. Standardization	01:36:09
14	A. Right. And to measure the amount received	01:33:29	14	allows for marketplaces to handle volume,	01:36:13
15	for the sale, I would think for the vast	01:33:32	15	so the volume will predominantly be from	01:36:17
16	majority of class members would be a	01:33:37	16	standardized trades.	01:36:20
17	straightforward reading of the confirmation	01:33:38	17	Q. Do you have any basis to form a view as	01:36:22
18	ticket or the trading records for the small	01:33:42	18	to whether a use of a digital asset might	01:36:27
19	minority or one-offs that might have received	01:33:47	19	impact the frequency with which these types	01:36:33
20	compensation in a different way. That could	01:33:51	20	of bilateral agreements might exist?	01:36:37
21	be a question that the claims administrator	01:33:54	21	MR. SPEAR: Objection, form.	01:36:41
22	asked, did you receive additional	01:33:54	22	A. I didn't entirely understand your question.	01:36:44
23	compensation for the sale. It could be a	01:33:54	23	Q. You've expressed a view that -- I was	01:36:47
24	straightforward question asked by the claims	01:33:54	24	describing a contract before that had what	01:36:52
25	administrator in a questionnaire attached	01:34:02	25	you characterized as put option and you	01:36:55
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<p>1 answered. 02:10:13</p> <p>2 A. Not specifically, but generally I would 02:10:15</p> <p>3 say yes, because I did consider -- that is 02:10:20</p> <p>4 a transaction and I did consider potential 02:10:25</p> <p>5 class members that would be receiving -- 02:10:29</p> <p>6 well, receiving XRP and then providing XRP 02:10:33</p> <p>7 in the course of some economic transaction. 02:10:39</p> <p>8 Q. Okay. So in 19 and 20, both of them, both 02:10:43</p> <p>9 formulas you start with a dollar amount paid 02:10:49</p> <p>10 at time of purchase, and you're saying that 02:10:52</p> <p>11 applies to -- I'll just strike that. So is 02:10:58</p> <p>12 it fair to say that in Paragraphs 19 -- 02:11:04</p> <p>13 strike that. 02:11:11</p> <p>14 In Paragraph 17 you've got the 02:11:13</p> <p>15 statutory formula for damages which uses 02:11:14</p> <p>16 the term "consideration." You covered 02:11:18</p> <p>17 consideration paid for such security with 02:11:22</p> <p>18 interest thereon. Do you see that? 02:11:24</p> <p>19 A. Paragraph 17? 02:11:27</p> <p>20 Q. Yes, of your report. 02:11:27</p> <p>21 A. Yes. 02:11:30</p> <p>22 Q. Do you see where it says that? 02:11:30</p> <p>23 A. Yes. 02:11:35</p> <p>24 Q. We discussed this, you're interpreting the 02:11:36</p> <p>25 term "consideration" to mean the value paid 02:11:40</p> <p style="text-align: right;">Page 138</p>	<p>1 A. Meaning that for whichever way you interpret 02:12:48</p> <p>2 the word "consideration," the conclusion 02:12:51</p> <p>3 in Paragraph 16 won't change. The formulas 02:12:53</p> <p>4 in 19 and 20 might in a very straightforward 02:12:58</p> <p>5 way, but the conclusion in Paragraph 16 would 02:13:01</p> <p>6 not change. 02:13:05</p> <p>7 Q. Okay. And with respect to how you propose 02:13:05</p> <p>8 to calculate the value of the consideration 02:13:11</p> <p>9 paid, it's your opinion that if someone 02:13:14</p> <p>10 used Bitcoin, that that should be converted 02:13:22</p> <p>11 to U.S. dollars using the Bloomberg rate as 02:13:24</p> <p>12 of 4:00 p.m. on the date of the transaction? 02:13:28</p> <p>13 MR. SPEAR: Objection, misstates 02:13:29</p> <p>14 prior testimony. 02:13:30</p> <p>15 A. I explained that you could do that and 02:13:31</p> <p>16 that would be a reasonable approach, but I 02:13:36</p> <p>17 haven't determined yet whether that's the 02:13:37</p> <p>18 only approach or best approach. That would 02:13:40</p> <p>19 certainly be a reasonable way to proceed. 02:13:42</p> <p>20 Q. What if Ethereum was used to purchase XRP? 02:13:44</p> <p>21 What would you use to translate Ethereum 02:13:49</p> <p>22 into U.S. dollars? 02:13:49</p> <p>23 A. That database exists, too, database of 02:13:53</p> <p>24 Ethereum exchange rates. 02:13:58</p> <p>25 Q. On Bloomberg? 02:13:58</p> <p style="text-align: right;">Page 140</p>
<p>1 for such security, correct? Not the form? 02:11:43</p> <p>2 <u>A. Well, I am expressing today, here -- it's 02:11:48</u></p> <p>3 <u>not in the report -- actually, it is in 02:11:53</u></p> <p>4 <u>the report. I am expressing that I believe 02:11:55</u></p> <p>5 <u>the best way to interpret the word 02:11:57</u></p> <p>6 <u>"consideration" and the way that's most 02:11:59</u></p> <p>7 <u>consistent with the statute is that it means 02:12:01</u></p> <p>8 <u>the value of the consideration, not the 02:12:03</u></p> <p>9 <u>form of the consideration, and I explain 02:12:05</u></p> <p>10 <u>that part of that comes from the fact that 02:12:07</u></p> <p>11 <u>the very next clause is "with interest 02:12:09</u></p> <p>12 <u>thereon," which means that we should be 02:12:12</u></p> <p>13 <u>translating the form to a value. But I 02:12:15</u></p> <p>14 <u>also express -- and this is very important. 02:12:19</u></p> <p>15 <u>I said it was important earlier today and 02:12:21</u></p> <p>16 <u>it's important now, that if there's some 02:12:23</u></p> <p>17 <u>legal determination that the word 02:12:25</u></p> <p>18 <u>"consideration" should be the form of the 02:12:28</u></p> <p>19 <u>consideration and not the value of the 02:12:30</u></p> <p>20 <u>consideration, then that, too, would be. 02:12:31</u></p> <p>21 <u>there would be one common methodology that 02:12:37</u></p> <p>22 <u>can be applied for all class members given 02:12:40</u></p> <p>23 <u>that interpretation, given that alternative 02:12:44</u></p> <p>24 <u>interpretation. 02:12:46</u></p> <p>25 Q. Okay. 02:12:46</p> <p style="text-align: right;">Page 139</p>	<p>1 A. I believe so. 02:14:00</p> <p>2 Q. What if Tether was used? 02:14:00</p> <p>3 A. I know that the Tether exchange rates do 02:14:08</p> <p>4 exist on Bloomberg. I looked them up. 02:14:12</p> <p>5 Q. And what if someone used, for example, a 02:14:14</p> <p>6 foreign currency like a Swiss franc and 02:14:16</p> <p>7 went directly into XRP, then what would 02:14:21</p> <p>8 you use? 02:14:23</p> <p>9 A. Using exchange rates to convert the form 02:14:24</p> <p>10 of the consideration to the value of the 02:14:27</p> <p>11 consideration in dollars is a straightforward 02:14:29</p> <p>12 arithmetic exercise that would be common 02:14:33</p> <p>13 for all class members. 02:14:35</p> <p>14 Q. Do you have an understanding sitting here 02:14:36</p> <p>15 today of how many different types of assets 02:14:37</p> <p>16 can be transferred for XRP? 02:14:40</p> <p>17 A. Yes. 02:14:44</p> <p>18 Q. How many? 02:14:45</p> <p>19 A. It's many. That's the nature of digital 02:14:46</p> <p>20 assets, that that's also why there are 02:14:50</p> <p>21 databases that provide matrices of exchange 02:14:54</p> <p>22 rates. 02:15:01</p> <p>23 Q. Do you know if, for example, Bloomberg 02:15:01</p> <p>24 provides an exchange rate for each of the 02:15:05</p> <p>25 assets that can be used to purchase or sell 02:15:07</p> <p style="text-align: right;">Page 141</p>

1 COMMONWEALTH OF MASSACHUSETTS)
2 SUFFOLK, SS.)
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5 I, Jeanette Maracas, Registered
6 Professional Reporter and Notary Public in
7 and for the Commonwealth of Massachusetts,
8 do hereby certify that there came before me
9 on the 20th day of January, 2023, at 9:41
10 a.m., the person hereinbefore named, who
11 was by me duly sworn to testify to the truth
12 and nothing but the truth of his knowledge
13 touching and concerning the matters in
14 controversy in this cause; that he was
15 thereupon examined upon his oath, and his
16 examination reduced to typewriting under my
17 direction; and that the deposition is a true
18 record of the testimony given by the witness.
19

20 I further certify that I am neither
21 attorney or counsel for, nor related to or
22 employed by, any attorney or counsel employed
23 by the parties hereto or financially
24 interested in the action.
25

In witness whereof, I have hereunto
set my hand this 25th day of January, 2023.



Notary Public
My commission expires 7/29/27